

City of El Cajon

Permanent Local Housing Allocation 5-Year Plan and Application for Funding

City of El Cajon Community Development
Department
200 Civic Center Way
619-441-1710
housing@elcajon.gov

This document was made available for public review and comment.

The Public Comment Period began October 7, 2022 and concluded on October 18, 2022. Residents were encouraged to submit comments by one of the following methods:

Submit Comments by Mail:

City of El Cajon
Community Development Department
Attn: Housing Division
200 Civic Center Way
El Cajon, CA 92020

Submit Comments by Email:

housing@elcajon.gov

Please include "PLHA" in the subject line

Submit Comments by Phone:

619-441-1710

Submit Comments by TTY:

7-1-1

A copy of this plan is posted for public review outlining the details of the expenditure of PLHA funding on the City's Housing Division website on October 7, 2022 to October 18, 2022.

Residents were also invited to submit comments during the October 25, 2022 City Council Public Hearing at 3:00 P.M. prior to City Council consideration of the Plan. Participation instructions were posted with the agenda at <https://www.elcajon.gov/your-government/city-meetings-with-agendas-and-minutes-all>

Additional accommodations were offered by request to the office of the City Clerk at 619-441-1763 or clerk@elcajon.gov at least three business days prior to the meeting.

All comments and City responses are attached to this document as Appendix A.

Summary

The California Department of Housing and Community Development (California HCD) has issued a Notice of Funding Availability for the Permanent Local Housing Allocation (PLHA). The PLHA provides a fund for eligible housing and homelessness activities to local governments with the intention of providing a permanent, ongoing source of funding for housing-related projects and programs that assist in addressing unmet housing needs.

As an entitlement local government for PLHA funds, the City of El Cajon (City) will receive an annual allocation beginning in calendar year 2020, pursuant to the approval of a five-year plan. The City's available allocations are as follows:

Estimated 5 Year Allocation	Local Admin 5%	Net
\$ 3,872,292.00	\$ 193,614.60	\$3,678,677.40

This document will provide a summary of the City of El Cajon's PLHA application to California HCD.

Eligible activities for the PLHA are limited to the following:

1. The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to Extremely-low, Very- Low, Low, or Moderate-income households¹, including necessary operating subsidies.
2. The predevelopment, development, acquisition, rehabilitation, and preservation of affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI. ADUs shall be available for occupancy for a term of no less than 30 days.
3. Matching portions of funds placed into Local or Regional Housing Trust Funds.
4. Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.
5. Capitalized Reserves for services connected to the preservation and creation of new permanent supportive housing.
6. Assisting persons who are experiencing or At-risk of homelessness, including, but not limited to, providing rapid re-housing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.
7. Accessibility modifications in Lower-income Owner-occupied housing.
8. Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.
9. Homeownership opportunities, including, but not limited to, down payment assistance.

10. Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.

Eligible activities must also be consistent and compliant with the City's adopted Housing Element, and at least 20% of the allocation must be used for Affordable Owner-Occupied Workforce Housing (AOWH) defined as housing that is affordable to persons and families of low- or moderate-income. Funds available for administrative expenses are limited to 5% of the allocation.

¹ Extremely low income is household income at or below 30% of Area Median Income (AMI); Very low income is at or below 50% AMI; Low Income is at or below 80% AMI; and Moderate Income is at or below 120% of AMI. Income limits are adjusted for household size.

The City of El Cajon's 5-year PLHA plan allocates the proposed funding according to the following percentages.

Percentage of Funds Allocated for:	2019 ²	2020	2021	2022	2023
(6) Assisting persons who are experiencing or at-risk of homelessness	95%	65%	65%	65%	65%
(2) Predevelopment, development, acquisition, rehabilitation of an Accessory Dwelling Unit	0%	30%	30%	30%	30%
Program Administration	5%	5%	5%	5%	5%
Total	100%	100%	100%	100%	100%

² The year, for the purposes of this document, is defined as the year in which a standard agreement is issued.

Permanent Local Housing Allocation Formula Allocation Plan Application

Manner in which allocated funds for all five years will be used for Activities eligible under the PLHA statute and guidelines:

The City plans to use the funds for the following activities:

- 1) Assisting persons who are experiencing or at risk of homelessness in conformance with 24 Code of Federal Regulations (CFR Section 578.3), (up to 30 percent of AMI), including:
 - a. Rapid rehousing in conformance with federal rules contained in 24 CFR Section 576.104, except for legal services;
 - b. Rental assistance with a term of at least six (6) months (rental arrears is not eligible);
 - c. Street outreach, and other supportive/case management services in conformance with federal rules contained in 24 CFR Section 576.101 that allow people to obtain and retain housing;
 - d. Operating and capital costs for navigation centers and emergency shelters.

This Activity may include subawards to administrative entities as defined in HSC Section 50490(a) (1-3) that were awarded California Emergency Solutions and Housing (CESH) Program or Homeless Emergency Aid Program (HEAP) funds for rental assistance to continue assistance to these households.

Applicants must provide rapid rehousing, rental assistance, navigation centers, emergency shelter, and transitional housing activities in a manner consistent with the Housing First practices described in 25 CCR, Section 8409, subdivision (b)(1)-(6) and in compliance with Welfare Institutions Code (WIC) Section 8255(b)(8).

- 2) Predevelopment, development, acquisition, rehabilitation, and preservation of ADUs to be rented to those making up to 120% of the Area Median Income or up 150% of the Area Median Income in high cost areas (San Diego region is a high cost area). ADUs shall be available for occupancy of a term of no less than 30 days. City will enter into a Deed Restriction with each homeowner to ensure that the ADUs are affordable during the loan period.

Description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of Area Median Income, adjusted for household size.

Over 70% of PLHA funding will be used to benefit individuals at or below 60 percent of Area Median Income, including providing services to persons who are experiencing or at risk of homelessness in conformance with 24 Code of Federal Regulations (CFR Section 578.3), (up to 30 percent of AMI).

Description of how the Plan is consistent with the programs set forth in the Local government's Housing Element.

The Plan is consistent with the goals and objectives of the Housing Element.

ADUs

AB 671 (Friedman), which became effective January 1, 2020, requires that local jurisdictions develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rents for very-low, low- or moderate-income households. The City's Housing Element incorporates this requirement.

Homeless Services

As stated in the Housing Element (page 97), the City provides in-kind and financial assistance to local service providers for emergency shelters and transitional housing facilities, as well as supportive services, which serve the City's homeless population and those at risk of homelessness, as part of the City's commitment to the continuum of care approach to ending homelessness. Specifically, the City prioritizes its funding to assist those who have recently become homeless and those who are at risk of becoming homeless due to economic circumstances.

Program Income Reuse

Program income received from activities in this plan will first be utilized to deliver additional activities of the same type. If future amended plans no longer support the allocation of funds to that activity, the program income will be programmed according to the activity allocation in effect at that time.

Certifications

The City will record a deed restriction against ADU units that were developed or rehabbed using PLHA funding for a minimum of five years. Longer terms are available but shall not exceed 30 years. The loan term shall match the affordability period.

The City will make PLHA assistance in the form of a low-interest, deferred loan to the homeowner.

Reporting

The City will provide an annual report of the uses and expenditures of any allocated funds every July 31st to the Department of Housing and Community Development's grant management division according to their specifications.

Describe each proposed activity and the percentage of funding allocated to it for each year of the five-year Plan, including (where applicable):

Activity 1: Homeless Services- Assisting persons who are experiencing or at-risk of homelessness

Activity Description:

It is anticipated that 65% of the PLHA will be allocated towards providing homeless services for persons who are experiencing or at-risk of homelessness. Services may include providing rapid re-housing, rental assistance, supportive/case management that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.

Description of Major Steps/Actions and Proposed Schedule for Implementation of the Activity:

The City issues Notice of Funding Availability (NOFAs) for Affordable Housing Development and Substantial Rehabilitation. Projects that meet the requirements set forth in this plan will be considered for PLHA assistance.

Percentage of Funds Allocated for Affordable Owner-Occupied Workforce Housing: 0%

Funding Allocation Year:	2019	2020	2021	2022	2023
Type of Affordable Rental Housing Activity	Homeless Services	Homeless Services	Homeless Services	Homeless Services	Homeless Services
Percentage of Annual Funds Allocated for the Proposed Affordable Rental Housing Activity	95%	65%	65%	65%	65%
Area Median Income Level Served	<30%	<30%	<30%	<30%	<30%
Projected Number of Households Served	50	50	50	50	50
Unmet Share of RHNA at the AMI Level ³	0	0	0	0	0
Period of Affordability for the Proposed Affordable Rental Housing Activity	N/A	N/A	N/A	N/A	N/A

³ Homeless Services does not count towards RHNA.

Activity 2: ADU Predevelopment, Development, Acquisition, Rehabilitation, and Preservation Opportunities

Activity Description:

The PLHA funds will be used for predevelopment, development, acquisition, rehabilitation, and preservation of ADUs to be rented to those making up to 120% of the Area Median Income or up 150% of the Area Median Income in high cost areas. ADUs shall be available for occupancy of a term of no less than 30 days. City will enter into a Deed Restriction with each homeowner to ensure that the ADU is affordable during the loan period.

Description of Major Steps/Actions and Proposed Schedule for Implementation of the Activity:

The City will work with a firm to develop a standard set of building plans ready for permit issuance. These plans will be available to homeowners considering adding an ADU. The City will then provide homeowners with an application to request financial assistance to develop an ADU and the terms and conditions to receive the financial assistance in terms of a low-interest loan. Projects that meet the requirements set forth in this plan will be considered for PLHA assistance.

Percentage of Funds Allocated for predevelopment, development, acquisition, rehabilitation, and preservation of an ADU: 30%

Funding Allocation Year:	2019	2020	2021	2022	2023
Type of Activity	ADU Assistance	ADU Assistance	ADU Assistance	ADU Assistance	ADU Assistance
Percentage of Funds Allocated for the Proposed Activity	0%	30%	30%	30%	30%
Area Median Income Level Served	Up to 120-150% AMI	Up to 120-150% AMI	Up to 120-150% AMI	Up to 120-150% AMI	Up to 120-150% AMI
Projected Number of Households Served	3	3	3	3	3
Unmet Share of RHNA at the AMI Level	1694	1691			
Period of Affordability for the Proposed ADU Activity	5 to 10	5 to 10	5 to 10	5 to 10	5 to 10

³ Calculations of Unmet Share of RHNA provided for 2020 and 2021 (from funding years 2019 and 2020) only per California HCD direction.

Appendix A: Public Comments and City Responses

Public Review Period Written Comments Received – October 7, 2022-October 18, 2022

Appendix B: Public Notices and Outreach

The following methods were used to communicate the 10-day public comment period and public hearing:

- Public Notice in the Daily Transcript on October 7, 2022
- Public Notice in City offices (Lobby/Kiosk, City Library)
- Public Notice posted to the website of the City Clerk
- Posting on City Facebook and Twitter pages
- Notifications to community stakeholders maintained by the Community Development Department

Public Notice – Daily Transcript



Public Hearing Notice

Public Review Period and Public Hearing for Permanent Local Housing Allocation 5-Year Plan

The City of El Cajon is the recipient of the State of California entitlement funding through the Permanent Local Housing Allocation (PLHA), created by California Senate Bill 2. The PLHA provides funding to local governments to administer eligible housing activities that benefit low and moderate income persons consistent with the local adopted Housing Element. The State requires the City to prepare a Five-Year Plan ("the Plan") that describes how the program funds will be allocated to eligible activities over the Plan timeframe. The Plan outlines the median income of beneficiaries, the projected number of beneficiaries, and the period of affordability for the activity if applicable. The City's five-year allocation is \$3,872,292.

The Plan is available for a 10-day public review period beginning October 7, 2022 and ending October 18, 2022. The draft plan can be viewed at www.elcajon.gov/housing under What's New! Public input is welcome and encouraged in the development of the Plan and proposed use of these funds. Citizens may participate in written form prior to the public hearing or orally during the hearing. All written comments should be forwarded to the City of El Cajon Community Development - Housing, 200 Civic Center Way, El Cajon, CA 92020.

Comments and requests for additional information about the Plan should be mailed or delivered or emailed to Jose Dorado, Housing Manager, Community Development – Housing, City of El Cajon, 200 Civic Center Way, El Cajon, CA 92020, 619-441-1786 or via email at jdorado@elcajon.gov.

A Public Hearing regarding the Plan will be held at the October 25, 2022 City Council meeting at 3:00 p.m., after which the City Council will consider adoption of the Plan.

Comments received as a result of the 10-day public comment period and this public hearing will be incorporated into the Plan which will be submitted to the State of California Department of Housing and Community Development on or about October 31, 2022.

The City of El Cajon is endeavoring to be in total compliance with the Americans with Disabilities Act. This material is available in alternate formats such as large print or computer disk for individuals with disabilities and will also be made available in Spanish upon request. If you are a non-English speaking resident or a citizen with speech or hearing impairments, and wish to review the documents or comment at the Public Hearing or require any other form of assistance or auxiliary aids in order to participate at Public Hearings, please contact the City Clerk's Office at 619-441-1763, as far in advance of the meeting as possible.

Published on October 7, 2022

Draft Permanent Local Housing Allocation 5-Year Plan

SD# 3632347

Public Hearing Notice Public Review Period and Public Hearing for Permanent Local Housing Allocation 5- Year Plan

The City of El Cajon is the recipient of the State of California entitlement funding through the Permanent Local Housing Allocation (PLHA), created by California Senate Bill 2. The PLHA provides funding to local governments to administer eligible housing activities that benefit low and moderate income persons consistent with the local adopted Housing Element. The State requires the City to prepare a Five-Year Plan ("the Plan") that describes how the program funds will be allocated to eligible activities over the Plan timeframe. The Plan outlines the median income of beneficiaries, the projected number of beneficiaries, and the period of affordability for the activity if applicable. The City's five-year allocation is \$3,872,292.

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Public input is welcome and encouraged in the development of the Plan and proposed use of these funds. Citizens may participate in written form prior to the public hearing or orally during the hearing. All written comments should be forwarded to the City of El Cajon Community Development - Housing, 200 Civic Center Way, El Cajon, CA 92020.

Comments and requests for additional information about the Plan should be mailed or delivered or emailed to Jose Dorado, Housing Manager, Community Development - Housing, City of El Cajon, 200 Civic Center Way, El Cajon, CA 92020, 619-441-1786 or via email at jdorado@elcajon.gov.

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The City of El Cajon is endeavoring to be in total compliance with the Americans with Disabilities Act. This material is available in alternate formats such as large print or computer disk for individuals with disabilities and will also be made available in Spanish upon request. If you are a non-English speaking resident or a citizen with speech or hearing impairments, and wish to review the documents or comment at the Public Hearing or require any other form of assistance or auxiliary aids in order to participate at Public Hearings, please contact the City Clerk's Office at 619-441-1763, as far in advance of the meeting as possible.

10/7/22

SD-3632347#

Social Media - Facebook & Twitter

Appendix C: PLHA Application

The City will be submitting this PLHA 5-year Plan and Application to the State of California Department of Housing and Community Development (California HCD) on or around October 28, 2022 in accordance with the instruction from California HCD to submit the plan by October 31, 2022. At the time of submission, the resolution and evidence of public comment will be included in the application. On October 25, 2022, the City will conduct the required public hearing, after which the City Council will adopt a resolution to both adopt the 5-year plan and authorize the submission of the application. The resolution and evidence of public comment will be submitted to California HCD by October 31, 2022.

Permanent Local Housing Allocation (PLHA) Formula Allocation

2022 Application for New Applicants



**State of California
Governor, Gavin Newsom**


**Lourdes Castro Ramírez, Secretary
Business, Consumer Services and Housing Agency**

**Gustavo Velasquez, Director
Department of Housing and Community Development**

Program Design and Implementation, PLHA Program
2020 West El Camino Avenue, Suite 150, Sacramento, CA 95833
PLHA Program Email: PLHA@hcd.ca.gov

**Final Filing Date: October 31, 2022
at 4:00 P.M. PST**

Instructions		Rev. 2/16/22	
<p align="center">This application form is limited to Applicants who did not apply to the 2020 and 2021 Formula Allocation NOFA</p>			
<p>When opening this file, a yellow banner at the top may appear with a button that says "Enable Content". It is essential that you click this box so that the macros are enabled. Enabling macros is necessary for full worksheet functionality. Macros do not work with Microsoft's Excel version for Apple Mac.</p>			
<p>Applications must be submitted electronically to the Department's website. Requirements for uploading the Application Workbook and required supporting documentation, including naming conventions, are described in the application instructions available at https://www.hcd.ca.gov/grants-funding/active-funding/plha.shtml. All applicable information must be received by HCD no later than 4:00 p.m. on:</p>			
<p align="center">Monday, October 31, 2022</p>			
<p>Applications must be on the Department's forms and cannot be altered or modified by the Applicant. Excel forms must be in Excel format and 'save as' .xls or .xlsx. Do not 'save as' .xlsm or .pdf format. If you encounter problems with the application, please fill out the Application Support worksheet and email the entire workbook to Application Support at AppSupport@hcd.ca.gov and PLHA@hcd.ca.gov</p>			
<p>General Instructions Additional instructions and guidance are given throughout the Formula Allocation Application in "red" text and in cell comments.</p>			
<p>Guideline references are made with "\$" and the corresponding guideline section number.</p>			
<p>"Yellow" cells are for Applicant input. Failure to provide the required attachments and documentation will disqualify your application from consideration.</p>			
<p>Required attachments are indicated in "orange" throughout the Supplemental Application. Failure to provide the required attachments and documentation may disqualify your application from consideration. Electronically attached files must use the naming convention in the PLHA Application. For Example: "App1 Payee Data" for Applicant 1 Payee Data Record/STD. 204.</p>			
<p>Threshold items are indicated in "blue" cells.</p>			
<p>"Red" shaded cells indicate the Sponsor has failed to meet a requirement of the program.</p>			
<p>Applicant must complete the following worksheets in the PLHA Formula Allocation Application.</p>			
<p>Formula Allocation Application</p>			
<p>302(c)(4) Plan</p>			
<p>Legislative Contacts</p>			
Checklist			
Threshold Requirement	Electronic File Name	Document Description	Included?
X	Application and Adopting the PLHA Plan (2019-2023 Allocations) Reso	Pursuant to section 302(c)(4) of the Guidelines, Applicant's PLHA Plan for 2019-2023 allocations is attached to this resolution, and Applicant certifies compliance with all public notice, comment, and hearing requirements in accordance with the Guidelines.	Included
	App1 TIN	0	Included
X	Applicant Delegation Agreement	Legally binding agreement between Delegating and Administering Local Governments (sample provided—just click on icon in row 17, column AI)	N/A
X	Reuse Plan	Program Income Reuse Plan describing how repaid loans or accrued interest will be used for eligible activities in Section 301.	Included
X	Executed Application	Provide a copy of the signed application. Signature in blue ink preferred.	Included
<p>Disclosure of Application (California Public Records Act Statutes of 1968 Chapter 1473): Information provided in the application will become a public record available for review by the public, pursuant to the California Public Records Act Statutes of 1968 Chapter 1473. As such, any materials provided will be disclosable to any person making a request under this Act. The Department cautions Applicants to use discretion in providing information not specifically requested, including but not limited to, bank accounts, personal phone numbers and home addresses. By providing this information to the Department, the Applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.</p>			

Local Government Formula Allocation for New Applicants										Rev. 2/16/22	
Eligible Applicant Type:		Entitlement.									
Local Government Recipient of PLHA Formula Allocation:										El Cajon	
2020 PLHA NOFA Formula Allocation Amount:		\$645,382				2020 NOFA Allowable Local Admin (5%):		\$32,269			
2021 PLHA NOFA Formula Allocation Amount:		\$1,003,123				2021 NOFA Allowable Local Admin (5%):		\$50,156			
2022 PLHA NOFA Formula Allocation Amount:		\$1,103,906				2022 NOFA Allowable Local Admin (5%):		\$55,195			
<p>Instructions: If the Local Government Recipient of the PLHA Formula Allocation delegated its PLHA formula allocation to a Local Housing Trust Fund or to another Local Government, the Applicant (for which information is required below) is the Local Housing Trust Fund or administering Local Government. The PLHA award will be made to the Applicant (upon meeting threshold requirements) and the Applicant is responsible for meeting all program requirements throughout the term of the Standard Agreement.</p> <p>The 302(c)(4) Plan template worksheet requires first choosing one or more of the Eligible Activities listed below. If "Yes" is clicked, the 302(c)(4) Plan worksheet opens a series of questions about what precise activities are planned. Some specific activities, such as providing downpayment assistance to lower-income households for acquisition of an affordable home could be included under either Activity 2 or 9. Please only choose one of those Activities; don't list the downpayment assistance under both Activities.</p> <p>If the PLHA funds are used for the same Activity but for different Area Median Income (AMI) level, select the same Activity twice (or more times) and the different AMI level the Activity will serve. Please enter the percentage of funds allocated to the Activity in only the first Activity listing to avoid double counting the funding allocation.</p>											
For each year (2019-2023), allocations must equal 100% annually including the allowable administrative costs of up to 5%											
Eligible Applicants §300											
<p>§300(a) and (b) Eligible Applicants for the Entitlement and Non-Entitlement formula component described in Section §100(b)(1) and (2) are limited to the metropolitan cities and urban counties allocated a grant for the federal fiscal year 2017 pursuant to the federal CDBG formula specified in 42 USC, Section §5306 and Non-entitlement local governments.</p>											
Applicant:		City of El Cajon									
Address:		200 Civic Center Way									
City:		El Cajon		State:		CA		Zip:		92020	
County:		San Diego									
Auth Rep Name:		Jose Dorado		Title:		Housing Manager		Auth Rep. Email:		jdorado@elcajon.gov	
Phone:		619-441-1786									
Address:		200 Civic Center Way									
City:		El Cajon		State:		CA		Zip Code:		92020	
Contact Name:		Anthony Shute		Title:		Director		Contact Email:		ashute@elcajon.gov	
Contact Phone:											
Address:		200 Civic Center Way									
City:		El Cajon		State:		CA		Zip Code:		92020	
§300(d) Is Applicant delegated by another Local government to administer on its behalf its formula allocation of program funds?											No
<p>§300(d) If Applicant answered "Yes" above, has the Applicant attached the legally binding agreement required by §300 (c) and (d)?</p>											<p>A sample agreement can be found by double clicking on the icon to the right</p> 
File Name:		Application and Adopting the PLHA Plan (2019-2023 Allocations) Reso				Pursuant to section 302(c)(4) of the Guidelines, Applicant's PLHA Plan for 2019-2023 allocations is attached to this resolution, and Applicant certifies compliance with all public notice, comment, and hearing requirements in accordance with the Guidelines.				Uploaded to HCD?	
File Name:		App1 TIN								Uploaded to HCD?	
File Name:		Applicant Delegation Agreement				Legally binding agreement between Delegating and Administering Local Governments (sample provided—just click on icon in row 17, column AI)				Uploaded to HCD?	
Eligible Activities, §301											
§301(a) Eligible activities are limited to the following:											Included?
§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to Extremely low-, Very low-, Low-, or Moderate-income households, including necessary operating subsidies.											<input type="checkbox"/> YES
§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.											<input checked="" type="checkbox"/> YES
§301(a)(3) Matching portions of funds placed into Local or Regional Housing Trust Funds.											<input type="checkbox"/> YES
§301(a)(4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.											<input type="checkbox"/> YES
§301(a)(5) Capitalized Reserves for services connected to the preservation and creation of new permanent supportive housing.											<input type="checkbox"/> YES
§301(a)(6) Assisting persons who are experiencing or At-risk of homelessness, including, but not limited to, providing rapid re-housing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.											<input checked="" type="checkbox"/> YES
§301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing.											<input type="checkbox"/> YES
§301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.											<input type="checkbox"/> YES
§301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance.											<input type="checkbox"/> YES
§301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.											<input type="checkbox"/> YES
Threshold Requirements, §302											
§302(a) The Applicant's Housing Element and Delegating Local Government's Housing Element (if applicable) was/were adopted by the Local Government's governing body by the application submittal date subsequently determined to be in substantial compliance with state Housing Element Law pursuant to Government Code Section 65585.											Yes
§302(b) Applicant or Delegating Local Government has submitted the current or prior year's Annual Progress Report to the Department of Housing and Community Development pursuant to Government Code Section 65400.											Yes
§302(c)(2) Applicant certified in the Resolution submitted with this application that submission of the application was authorized by the governing board of the Applicant.											Yes
§302(c)(3) Applicant certified in the Resolution submitted with this application that, if the Local Government proposes allocation of funds for any activity to another entity, the Local government's selection process had no conflicts of interest and was accessible to the public.											Yes
§302(c)(4) Applicant certified in the Resolution submitted with this application that the application include a Plan in accordance with §302(c)(4)?											Yes
§302(c)(4)(D) Applicant certified in the Resolution submitted with this application that the Plan was authorized and adopted by resolution by the Local Government and that the public had an adequate opportunity to review and comment on its content.											Yes
§302(c)(5) Applicant certified in the Resolution submitted with this application that the Plan submitted is for a term of five years (2019-2023). Local Governments agree to inform the Department of changes made to the Plan in each succeeding year of the term of the Plan.											Yes
§302(c)(6) Applicant certified in the Resolution submitted with this application that it will ensure compliance with §302(c)(6) if funds are used for the acquisition, construction, or rehabilitation of for-sale housing projects or units within for-sale housing projects.											Yes
§302(c)(7) Applicant certified in the Resolution submitted with this application that it will ensure that the PLHA assistance is in the form of a low-interest, deferred loan to the Sponsor of the Project, if funds are used for the development of an Affordable Rental Housing Development. The loan shall be evidenced through a Promissory Note secured by a Deed of Trust and a Regulatory Agreement shall restrict occupancy and rents in accordance with the Local government-approved underwriting of the Project for a term of at least 55 years.											Yes
§302(c)(8) Has Applicant attached a program income reuse plan describing how repaid loans or accrued interest will be reused for eligible activities specified in Section 301?											Yes
File Name:		Reuse Plan				Program Income Reuse Plan describing how repaid loans or accrued interest will be used for eligible activities in Section 301.				Narrative uploaded to HCD?	
Administration											

Applicant agrees to adhere to §500, Accounting Records.				Yes
Applicant agrees to adhere to §501, Audits/Monitoring of Project Files.				Yes
Applicant agrees to adhere to §502, Cancellation/Termination.				Yes
Applicant agrees to adhere to §503, Reporting.				Yes
Certifications				
On behalf of the entity identified below, I certify that: The information, statements and attachments included in this application are, to the best of my knowledge and belief, true and correct and I possess the legal authority to submit this application on behalf of the entity identified in the signature block.				
Graham Mitchell		City Manager		
Authorized Representative Printed Name		Title	Signature	Date

§302(c)(4) Plan														Rev. 2/16/22
<p>§302(c)(4)(A) Describe the manner in which allocated funds will be used for eligible activities.</p> <p>The City of El Cajon ("City") plans to use its PLHA funds for two eligible activities. The first activity is to assist persons who are experiencing homelessness, including rapid re-housing, supportive services/case management services that allows homeless persons or at risk of becoming homeless to obtain housing, operation costs for an Emergency Shelter or Transitional Housing. The City intends to issue a Request for Proposals to sub-allocate funds to homeless service providers. The second activity is to create an Accessory Dwelling Unit (ADU) program that will allow homeowners to build an ADU on their parcel and access funding for acquisition, pre-development, development and other costs in the form of a deferred interest loan.</p>														
<p>§302(c)(4)(B) Provide a description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of Area Median Income (AMI).</p> <p>The City of El Cajon ("City") will prioritize its homeless services program for households who are experiencing or are at risk of homelessness in conformance with 24 Code of Federal Regulations (CFR Section 578.3), (up to 30 percent of AMI).</p>														
<p>§302(c)(4)(C) Provide a description of how the Plan is consistent with the programs set forth in the Local Government's Housing Element.</p> <p>The Housing Element provides significant information on the number of homeless persons in the City of El Cajon. The Point-In-Time Count (PITC) conducted on February 24, 2022 included 185 unsheltered homeless persons, 440 persons in transitional housing and 683 in emergency shelter. Although a winter shelter that had been operated by a non-profit for many years, and an Emergency Shelter and Transitional Housing Facility is in operations, these programs are in need of additional funding. The Housing Element includes a program that identifies zones where emergency shelters are allowed as a permitted use without the need for a conditional use permit. In addition, the City has a program that allows tiny homes to be built in the City that serve homeless populations. The Housing Element includes a goal to encourage both the private and public sectors to produce or assist in the production of housing with particular emphasis on housing affordable and accessible to lower income households, persons with disabilities, elderly, large families, female-headed households, and homeless persons. The second activity will fund the development of Accessory Dwelling Units (ADUs). Per AB 671 (Friedman), which became effective January 1, 2020, local jurisdictions must develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rents for very-low, low- or moderate-income households. This proposed program will allow the City to meet one of the goals of the City's Housing Element.</p>														
Activities Detail (Activities Detail (Must Make a Selection on Formula Allocation Application worksheet under Eligible Activities, §301))														
<p>§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.</p>														
<p>§302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for each proposed Affordable Rental and Ownership Housing Activity.</p>												Enter Percentage of Funds Allocated for Affordable Owner-occupied Workforce Housing		0%
<p>The provision of ADUS is consistent with the City's 2021-2019 Certified Housing Element. The use of PLHA funds for the construction of ADUS will increase the City of El Cajon's housing stock and will allow the City to bring new units to the City, thereby bringing the City closer to meeting its RHNA goals. The City will seek to provide loans to homeowners for the construction and provision of accessory dwelling units (ADU) to those households at or below 120% (or up to 150% for high cost area) of the AMI. The City will make funding available to homeowners on a first come first serve basis should they agree through the recordation of covenants on their property for a term of a minimum of 5 to a maximum of 30 years to provide the ADU as affordable to and occupied by households at or below 120% (or up to 150% for a high cost area) of the AMI. The loan term can vary depending on the length of time it takes to repay the City loan and the AMI served. Borrowers who wish to serve lower AMI households can receive a longer loan term (20 to 30 years) and a lower deferred interest rate. The City and homeowner will enter into a Loan Agreement secured by a Deed of Trust and accompanied by</p>														
Complete the table below for each proposed Affordable Rental and Ownership Housing Activity to be funded with 2019-2023 PLHA allocations if a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).														
Funding Allocation Year	2019	2020	2021	2022	2023									
Type of Affordable Housing Activity	n/a	ADU	ADU	ADU	ADU									
§302(c)(4)(E)(i) Percentage of Funds Allocated for Each Affordable Housing Activity		30%	30%	30%	30%									
§302(c)(4)(E)(ii) Area Median Income Level Served		150%	150%	150%	150%									TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level Note: complete for years 2019, 2020, 2021 only	1694	1691	1864	N/A	N/A									5249
§302(c)(4)(E)(ii) Projected Number of Households Served		3	3	3	3									12

§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity (55 years required for rental housing projects)		5 to 30	5 to 30	5 to 30	5 to 30										
§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of each Affordable Rental and Ownership Housing project.															
Within four months of receipt of the PLHA funds, the City plans to make available the ADU program and have the loan guidelines available on its website.															
§301(a)(6) Assisting persons who are experiencing or At risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.															
§302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for the proposed Activity.															
Within three months of receiving the PLHA Standard Agreement, the City will work with its homeless providers to fund one or more of the following activities:															
1) Assisting persons who are experiencing or at risk of homelessness in conformance with 24 Code of Federal Regulations (CFR Section 578.3), (up to 30 percent of AMI), including: a. Rapid rehousing in conformance with federal rules contained in 24 CFR Section 576.104, except for legal services; b. Rental assistance with a term of at least six (6) months (rental arrears is not eligible); c. Street outreach, and other supportive/case management services in conformance with federal rules contained in 24 CFR Section 576.101 that allow people to obtain and retain housing;															
Complete the table below for each proposed Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).															
Funding Allocation Year	2019	2020	2021	2022	2023										
Type of Activity for Persons Experiencing or At Risk of Homelessness	Supportive/Case Management Services	Supportive/Case Management Services	Supportive/Case Management Services	Supportive/Case Management Services	Supportive/Case Management Services										
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Activity	100.00%	65.00%	65.00%	65.00%	65.00%										
§302(c)(4)(E)(ii) Area Median Income Level Served	30%	30%	30%	30%	30%										TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level Note: complete for years 2019, 2020, 2021 only	0	0	0												0
§302(c)(4)(E)(ii) Projected Number of Households Served	50	50	50	50	50										250
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity (55 years required for rental housing projects)	N/A	N/A	N/A	N/A	N/A										
§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.															
Within three months of receipt of the PLHA funds, the City plans to release a RFQ/RFP from homeless services providers who can carry out activities that are eligible under the PLHA Program. The eligible activities include the following: Assisting persons who are experiencing or at risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing. This activity may include subawards to administrative entities as defined in HSC Section 50490(a)(1-3) that were awarded CESH program or HEAP funds for rental assistance to continue assistance to these households.															